

program will cost \$28,416,702 for fiscal year '86-87, and for the next fiscal year, unless there are changes made, now mind you, unless there are changes made, will cost \$33 million. Okay. Now who is this we? The we is the Revenue Committee. So what the Revenue Committee did over the fall was had a homestead task force. And the homestead task force put together LB 288, which is on your desk, LB 288. And what the homestead task force has done is it has put into this bill these items, one through six, which, if all adopted, will save \$5,370,000, so that, in fact, the homestead program for FY '87-88 will come in on the money at \$27,630,000. Have I lost anybody yet? But the changes are really significant changes. Change number one is insignificant. I'll explain it if you need it. Change number two is really insignificant. Change number three, for \$300,000, says that the homestead recipient has got to still be in the home on August 15 of the year. Right now they have to be in the home as of January 1, but we said they've got to be in it on August 15 of the year to be entitled for the homestead program. That will save the state \$300,000. Change number four says that the amount of the exemption that a recipient would get is about to be reduced. There, currently, is a sliding scale, and the scale is if one's income is below a certain amount, that 100 percent of the property is taken off the tax rolls, up to the first \$35,000 in value. If their income is above a certain amount, then 80 percent of the property is taken off the tax rolls, and so on, and so on, and so on. The Revenue Committee said we're going to reduce that scale. We actually said it with Senator Labedz's blessings, but we, in Douglas County have changed our minds. We're going to reduce that scale so that all of the older people in our state who get the homestead exemption will get less of a homestead exemption and we'll save \$3.3 million. Then we also had change number five which says the homestead exemption cannot apply to more than one-half acre of ground. And, finally, change number six was we're going to continue to require local government to pick up 5 percent of the homestead cost. This year and this year only they pick up 10 percent of the homestead cost, this year only. That law sunsetted, it sunsets, I guess, in the middle of this year, sunsets I suppose July 1 of '87. So we said we'll have them pick up not 10 percent of the cost, but 5 percent of the cost, and that is how you get to your \$5.3 million. That is what LB 288 does. Now the Revenue Committee amended it, and we amended it by deferring for one year numbers one and two, and we did that because the Department of Revenue was going to have a hard time implementing numbers one and two, so we simply deferred those by the first year. Okay. I'm going to suggest